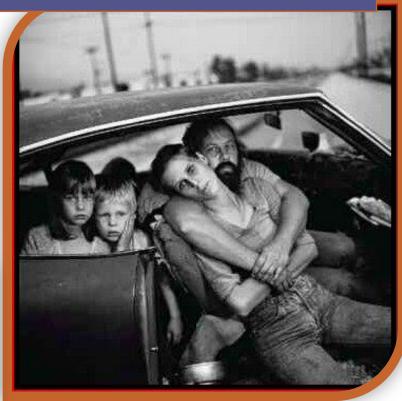
# Illinois Commission on the Elimination of Poverty







Annual Report September 2012

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## **LETTER FROM COMMISSION CO-CHAIRS**

December 2012

Dear Members of the Illinois General Assembly,

In 2008, the State of Illinois, recognizing that poverty had been increasing within the state for more than a decade, made an ambitious commitment to cut extreme poverty in half by 2015. Toward that end, the Illinois Commission on the Elimination of Poverty was formed to create a strategy to meet this goal. The Commission issued its recommendations in *Building a Pathway to Dignity & Work*, a report released in December 2010. The attached Annual Progress Report fulfills the statutory directive that the Commission report annually on the implementation of its poverty elimination strategy and on progress the state has made toward the 2015 goal.

The Illinois Commission on the Elimination of Poverty is an independent body appointed by the Governor and the leadership of the General Assembly to focus on eliminating poverty in our state in a manner consistent with international human rights standards. As such, the Commission's charge is twofold:

- To create and monitor a specific, substantive, measurable strategic plan for cutting extreme poverty in half by 2015 in Illinois; and
- To offer advice and comment on state matters that may positively or negatively impact the state's goal of ending poverty.

2012 was a disappointing year for the Commission. According to the latest estimates for 2011, 15.0% of Illinoisans live below the poverty line and 6.9% live in extreme poverty, and yet most of the legislation the Commission proposed to combat these figures did not make it through the General Assembly. As a state, we will continue to face difficult decisions about our priorities, especially during these tough financial times. We urge you to work with us to ensure that our state budget decisions and policy priorities in the coming year protect the most vulnerable and uphold human rights. We encourage you to review the attached report and identify ways that you can advance our common goal to reduce extreme poverty and improve the lives of the hundreds of thousands of men, women, and children in our state who are struggling to survive.

We cannot afford to become complacent with poverty in our state and must take meaningful strides forward to eliminate it.

Sincerely,

Rev. Dr. Sid L. Mohn Co-Chair, Commission on the Elimination of Poverty President, Heartland Alliance for Human Needs & Human Rights

Dr. Toni Irving Co-Chair, Commission on the Elimination of Poverty Deputy Chief of Staff, Office of the Governor

## INTRODUCTION

In 2012, Illinois lost ground in its efforts to halve the number of Illinoisans living in extreme poverty. When the Commission on the Elimination of Poverty was formed in 2008, 607,247 Illinois residents lived in extreme poverty. Now, a total of 842,719 Illinoisans live in extreme poverty, which amounts to \$8,958 for a family of three in 2011. With poverty rates at near unprecedented levels, poverty reduction must be a top priority for our communities and our lawmakers.

During the 2012 legislative session of the 97<sup>th</sup>General Assembly, 12 bills were introduced that the Poverty Commission recognized would have helped reduce poverty, yet only one of those bills passed both houses and was signed into law. Moreover, critical programs that have kept those hovering on the edge from falling into extreme poverty were cut. Programs like child care, community mental health, education, and health care that have been critical resources for thousands of Illinois residents have been slashed. Without investment in proven poverty reduction interventions, Illinois can expect that it will continue to see deepening hardship. The Center on Children and Families at the Brookings Institution predicts an increase in the national poverty rate to nearly 16% by 2014 based upon current federal policies. Relatedly, Illinois, with the largest unfunded pension liability in the U.S., has focused on deficit reduction plans that disproportionately impact our poorest citizens.

Deepening hardship is not only devastating to those experiencing poverty; it costs Illinois money over the long term and makes any future efforts to improve the lives of Illinoisans even more challenging. The more people in poverty, the more investment is required to create paths out of poverty, to regain our competitive edge, and ensure that Illinois will have a healthy, safe, and skilled population to move our state forward.

While the state struggles with continuing and serious budget challenges, it is imperative that attention be focused at the very least on those policies that would have little or no cost to the state as outlined by the Commission. It is time for a renewed commitment to eliminating extreme poverty in Illinois.

## **MEASURING PROGRESS - INCREASES IN EXTREME POVERTY**

Illinois is moving in the wrong direction when it comes to its goal of halving extreme poverty. The growth in extreme poverty since 2008 means that efforts to cut extreme poverty must reach over 500,000 people in order to achieve the 2015 goal, up from 300,000 when the effort began. These steps backward over the past several years means there is even more work to do to address the needs of this growing population in the years ahead.

### A SNAPSHOT OF EXTREME POVERTY

Extreme poverty rates have risen dramatically since 2008.

2008 Base Year	2015 Goal	2011 Current Situation	Assessment
607,247	303,624	842,719	235,472 more people are in extreme
			poverty now than in 2008, an
			increase of 38.8%

## A CLOSER LOOK AT EXTREME POVERTY IN ILLINOIS

## **Extreme Poverty by Race/Ethnicity**

Extreme poverty rates are nearly three times as high among blacks and Hispanics as among non-Hispanic whites.

Race/Ethnicity	2011 Current Situation	Percent*
White Non-Hispanic	336,822	4.1%
Black Non-Hispanic	226,780	12.5%
Hispanic	220,655	11.5%

## **Extreme Poverty by Age**

Children are more likely to live in extreme poverty than adults.

Age	2011 Current Situation	Percent*
Children (0-17)	289,788	9.3%
Working Age (18-64)	517,185	6.4%
Seniors (65 and over)	35,746	2.2%

## **Extreme Poverty by Disability Status**

Working-age Illinoisans with a work-limiting disability have much higher rates of extreme poverty than their non-disabled counterparts.

Disability Status	2011 Current	Percent*
(Working Age)	Situation	
With a Work-	102,864	13.1%
<b>Limiting Disability</b>		
No Work-Limiting	414,320	5.7%
Disability		

## A Senior, Child, or Working-Age Adult with a Work-Limiting Disability

Over half of all Illinoisans in extreme poverty are children, seniors, or working-age people with a work-limiting disability—people who cannot or are not expected to work.

	2011 Current Situation
Unable or Not Expected to Work	428,398
As a % of Those in Extreme Poverty	50.8%

Data Source: Social IMPACT Research Center's analysis of the U.S. Census Bureau's Current Population Survey's Annual Social and Economic Supplement, Microdata. Based on Census Bureau recommendations on proper data use, these estimates are 2-year averages (2008 includes 2007 and 2008; 2011 includes 2010 and 2011) to help smooth out variation due to small sample size. For information on poverty in local Illinois Communities, visit <a href="http://www.heartlandalliance.org/research/quick-data/local-fact-sheets.html">http://www.heartlandalliance.org/research/quick-data/local-fact-sheets.html</a>

The extreme poverty estimates presented here come from the U.S. Census Bureau's Current Population Survey, Annual Social and Economic Supplement, which was used because there is a tool associated with this data set that allows users to assess poverty with a more comprehensive measure. In future years, this more comprehensive measure of poverty may be used to benchmark Illinois' progress on its poverty reduction goal since the tool has the ability to capture the impact of many of the Commission's recommended policy and programmatic changes.

<sup>\*</sup> Percent represents the percentage of people in the demographic group who are extremely poor.

## THE COMMISSION'S RECOMMENDATIONS

In 2010, the Commission on the Elimination of Poverty created a <u>comprehensive</u> <u>strategy</u> for cutting extreme poverty in Illinois in a manner consistent with international human rights standards. The Commissioners utilized human rights values and principles and a solid understanding of those impacted by extreme poverty to guide the development of the plan.

The Commission's plan offers a comprehensive approach to address the complex and multi-faceted nature of poverty. Relying on public input, relevant census data, and research, members of the Commission developed a plan with a set of recommendations related to the following issues:

- Access to safe, decent and affordable housing.
- Access to adequate food and nutrition.
- Access to affordable and quality healthcare.
- Equal access to quality education and training.
- Dependable and affordable transportation.
- Access to quality and affordable child care.
- Opportunities to engage in meaningful and sustainable work.
- The availability of adequate income supports.

The information that follows offers an overview of legislative action taken this year that aligned with the Poverty Commission's recommendations to cut extreme poverty.

## **CHANGE AGENDA – 2012 SUMMARY**

Improve workplace compensation by increasing minimum/living wage and benefit standards: SB1565 – Minimum Wage: LOSING GROUND.

Improve workplace compensation by increasing minimum/living wage and benefit standards: HB4497 and SB 1844 – Auto IRA: STALLED.

Adopt a policy to "Ban the Box," also termed "Move the Box," which prohibits state job applications from asking if an individual has a criminal background, and use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds: HB1210 – Ban the Box: STALLED.

Use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds: HB5723 – Criminal Record Sealing: STALLED.

Use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds: SB3433 – Access to Sealed Records: MAKING PROGRESS.

Ensure equal access to quality education and training: HB5628 – Ensuring Success in School: LOSING GROUND.

Public and private funds should be increased to promote contextualized adult education, GED, and ESL classes for immigrants in order to both improve general English proficiency and acquire trade/skill relevant English as well: HB4611 – DOC Foreign Language Program: LOSING GROUND.

Use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds: SB3488 – Access to Housing: LOSING GROUND.

Identify rules, policies, practices, and procedures that hinder the participation of eligible people in safety net programs and take effective action to remove barriers: HB4612 – DOC Referral Services: LOSING GROUND.

Strengthen our safety net to ensure that households and individuals have their basic needs met and their dignity affirmed: HB5537 – Transitional Assistance Program: LOSING GROUND.

Protect, restore, and enhance access to quality health care, including mental health and social and emotional well-being: SB1881 – Charity Care: STALLED.

# PROGRESS TOWARD THE COMMISSION'S RECOMMENDATIONS

## **Work Recommendations**



## SB1565 -Minimum Wage

**BILL SUMMARY**–SB1565 amends the Minimum Wage Law to restore the minimum wage to its historic level. The bill would increase the minimum wage by the cost of living increase each year thereafter.

**2012 OUTCOME** - Senator Kimberly Lightford is the chief sponsor of SB1565. The bill passed out of the Senate Executive Committee, but no further action was taken on the bill.

## **COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED-Improve**

workplace compensation by increasing minimum/living wage and benefit standards: Workers earning minimum wage have trouble meeting their basic needs, and minimum wage workers with children are struggling to provide for their families. A minimum wage worker working full time year-round earns roughly \$16,500 per year. That means a single parent with two kids would fall below the federal poverty line (\$17,916 for a family of three in 2011). The minimum wage should provide workers a minimum standard of living necessary for health and well-being and keep working families out of poverty.





### **HB4497 and SB1844 - Auto IRA**

**BILL SUMMARY**–HB4497 and SB1844 create the Illinois Automatic IRA Program Act. The bills allow employees of certain employers that have not offered a qualified retirement plan to set aside a percentage of their wages to be deposited into an IRA trust fund administered by the State Treasurer's office.

**2012 OUTCOME**– HB4497 was introduced by Representative Deborah Mell. The bill was assigned to the House State Government Administration Committee, which held a subject-matter hearing on the proposal and heard expert testimony about the lack of employee-sponsored retirement plans available to workers in every district of the state. No further action was taken on the bill. SB1844 was introduced by Senator Iris Martinez, referred to Assignments, and no further action was taken on the bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED- Improve workplace compensation by increasing minimum/living wage and benefit standards: Most low wage workers do not have access to benefits such as paid sick leave, health insurance, or retirement savings options. Improving benefit standards for the lowest-wage workers will help provide the stability needed for individuals and families to move out of extreme poverty and prevent workers from falling into poverty as they age and retire.

## **Access to Work Recommendations**



## HB1210 - Ban the Box

**BILL SUMMARY**– HB1210, House Amendment 1 prohibits the application for state employment from including a question related to the applicant's criminal record. Specifically, the bill bars the application from asking whether the applicant was convicted of or pled guilty to a criminal offense. An applicant may still be required to complete a release form granting the applicant's permission to conduct a background check, but an applicant will only be subject to a background check at the time of an interview or a conditional offer.

**2012 OUTCOME**– HB1210 was introduced by Representative La Shawn Ford. The bill passed out of the State Government Administration Committee but did not pass out of the House. On August 23, 2012, the House held a subject matter hearing on the legislation where members heard testimony from individuals struggling to rebuild their lives after a conviction.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED-Adopt a policy to "Ban the Box," also termed "Move the Box," which prohibits state job applications from asking if an individual has a criminal background, and use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds: Those reentering society after incarceration need true opportunity after paying their debt to society. Unfortunately, many employers outright deny employment opportunities to anyone with a criminal record. The Equal Employment and Opportunity Commission has recognized that blanket policies denying employment based on a criminal record have a disparate impact on communities of color. Applicants should be denied a job based on merit or lack thereof, not on prejudice about their criminal background, which the box on the state employment application invites. While reasonable limits need to be in place for certain types of positions, removing the question regarding criminal records from the state application will open the door for more people to secure quality employment, reduce recidivism in the correctional system, and lead the way for other employers in the state.



## **HB5723 – Criminal Record Sealing**

BILL SUMMARY – HB5723 amends the Criminal Identification Act. The bill allows for sealing of Class 2, 3, and 4 non-violent felony conviction records four years after termination of the person's last sentence. The bill does not, however, seal records if the person was convicted of the following offenses: (1) sex offense; (2) DUI; (3) reckless driving; (4) violation of an order of protection; (5) dog fighting; (6) crime of violence as defined in the Crime Victim Compensation Act; or (7) an offense that that requires registration under the Sex Offender Registration Act. Current law limits the sealing of felony conviction records to Class 4 felony convictions for possession of cannabis, possession of a controlled substance, and prostitution.

**2012 OUTCOME**– HB5723 was introduced by Representative La Shawn Ford. This bill passed out of Judiciary II – Criminal Law Committee but no further action was taken on the bill during the legislative session. On August 23, 2012, the House held a subject matter hearing on the legislation, where members heard testimony from individuals struggling to rebuild their lives after a conviction.

**COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED**— *Use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds*: Those re-entering society after incarceration need true opportunity after paying their debt to society. Unfortunately, many employers outright deny employment opportunities and many landlords deny housing to anyone with a criminal record. Allowing individuals with felony convictions to seal their record will provide greater opportunity to access employment and housing.



### SB3433 –Access to Sealed Records

**BILL SUMMARY**– SB3433 amends the Criminal Identification Act to allow criminal records sealed by the Department of State Police to be disseminated by the Department *only* to the arresting authority, the State's Attorney, and the court upon a later arrest for the same or similar offense or for the purpose of sentencing for any subsequent felony. The bill eliminates a provision that allowed sealed criminal records to be shared with other parties, as required by law.

**2012 OUTCOME**– SB3433 was introduced by Senator Thomas Johnson and passed both houses of the General Assembly and is currently awaiting the Governor's signature.

**COMMISSION RECOMMENDATION ADVANCED**—*Use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds*: Those reentering society after incarceration need true opportunity after paying their debt to society. Unfortunately, many employers outright deny employment opportunities and many landlords deny housing to anyone with a criminal record. Ensuring that criminal records that are sealed by law are not disseminated to anyone other than those individuals required by law will provide greater opportunity to access employment and housing for individuals with sealed records.

## **Education Recommendations**



## **HB5628 – Ensuring Success in School**

BILL SUMMARY-HB5628 amends the School Code to include provisions that ensure the health, safety, and academic success of elementary and secondary students who are parents, expectant parents, or victims of domestic or sexual violence. The bill is based upon the recommendations of the Ensuring Success in School Task Force's report to the Illinois General Assembly, submitted in June 2010. Provisions include expanding what constitutes a "valid cause" for absences to include the following: students' pregnancy-related absences; parenting responsibilities-related absences; and absences for circumstances related to domestic or sexual violence. Additionally, the bill includes accommodations for students to ensure their health and safety in school; confidentiality protocols, and "specially trained personnel"—a "go-to" person for confidential guidance and referrals for students, teachers and other school personnel when issues related to this student population arises. The bill also amends the Student Records Act regarding the release of information related to a student's status as a parent, expectant parent, or victim of domestic or sexual violence.

**2012 OUTCOME**– HB5628 was introduced by Representative Karen Yarbrough. The bill was assigned to and held in the Elementary & Secondary Education Committee, and no further action was taken on the bill.

**COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED**—*Ensure equal access to quality education and training*: Students who are parents, expectant parents, or the victims of domestic or sexual violence face barriers to school success and school completion which then puts them at greater risk of experiencing extreme poverty.





## **HB4611 – DOC Foreign Language Program**

**BILL SUMMARY**– HB4611 amends the Unified Code of Corrections to develop and establish a foreign language program within the Department of Corrections. The program will offer courses in Spanish, which may be taken by incarcerated persons enrolled in programs for the high school level Test of General Educational Development (GED) and pursuing GED certificates.

**2012 OUTCOME**–HB4611 was introduced by Representative Camille Lilly. The bill was assigned to and held in the State Government Administration Committee. No further action was taken on the bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED—Public and private funds should be increased to promote contextualized adult education, GED, and ESL classes for immigrants in order to both improve general English proficiency and acquire trade/skill relevant English as well: Many individuals experiencing extreme poverty face barriers to employment and require additional supports to access training and work opportunities that will help lead to stable employment and ultimately out of poverty. Providing educational opportunities for those in the correctional system will increase the likelihood of post-incarceration employment and help reduce recidivism.



# **Housing Recommendations**



## SB3488 - Access to Housing

**BILL SUMMARY**– SB3488 amends the Illinois Human Rights Act. The bill makes it a civil rights violation to refuse to sell, rent, or otherwise make unavailable or deny housing to any buyer or renter due to the knowledge or information of an arrest or criminal history record that has been ordered expunged, sealed, or impounded under the Criminal Identification Act.

**2012 OUTCOME**—SB3488 was introduced by Senator Kwame Raoul. The bill failed to advance out of the Senate's Criminal Law Committee.

**COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED**—*Use the state's leadership to encourage and promote the hiring of individuals with criminal backgrounds*: Those re-entering society after incarceration need true opportunity after paying their debt to society. Unfortunately, many employers outright deny employment opportunities and many landlords deny housing to anyone with a criminal record - even if it is merely an arrest and the individual has never been convicted of a crime. Without housing, maintaining employment and supporting family members becomes increasingly difficult, pushing families into poverty.



# **State Budget Overview**

At a time when investment in human services and other critical programs is essential to keeping more people from falling into poverty, the state budget passed by the General Assembly and approved by the Governor made \$200 million in cuts to human services including cuts to community mental health, the Early Childhood Block Grant, and the Child Care Assistance Program. Medicaid alone sustained \$1.6 billion dollars in cuts, eliminating access to essential medical services for many individuals experiencing poverty. For those at the lowest end of the income spectrum, the ability to access medical care may be the difference between being able to maintain a job or facing unemployment.

**Community Mental Health** funding saw some increased support related to the state's effort to rebalance Illinois toward a more person-centered, community-based care for people with developmental disabilities and mental health conditions. Core funding for community mental health services, however, was cut by \$21 million.

**Medicaid:** The SMART Act includes \$1.6 billion in cuts to Medicaid through spending reductions, utilization controls, and provider rate cuts. The following provisions will have the greatest impact on individuals experiencing extreme poverty:

- The elimination of IllinoisCares RX.
- The elimination of some optional services such as group psychotherapy and adult chiropractic services.
- The elimination of the Adult General Assistance Program.
- The restrictions placed on certain optional services, such as adult dental services (restricted to emergencies), adult podiatry services (restricted to diabetics), and adult eyeglasses (limited to 1 every 2 years).
- The limitation on adult and children's prescriptions to four per month, with additional prescriptions available based on patients' needs.
- The increase of co-pays to the federal maximum for pharmaceuticals, emergency room non-emergent care, and for Federally Qualified Health Centers (FQHC's).

**The Child Care Assistance Program** was cut by \$6 million, resulting in increased parent co-pays.

**The Early Childhood Block Grant,** which funds Preschool for All, was cut by \$24.9 million (7.7%).

TANF and homeless and supportive housing programs received increases in the FY 2013 budget but in many cases, these increases are tempered by years of prior disinvestment or are one-time fixes:

The Temporary Assistance for Needy Families Program (TANF) was funded at \$196million, which is an increase of \$6 million from FY12 levels. This should allow the Illinois Department of Human Services to avoid the implementation of the Governor's proposal to reduce the lifetime eligibility limit for assistance from 5 to 3 years.

**Homeless and supportive housing programs** maintained or increased funding levels in the FY13 budget, in large part because some of the funding for these programs was taken from the Affordable Housing Trust Fund, or other state funds, rather than from the General Revenue Fund. Although this offers a one-time solution to funding critical housing programs, it is not a long-term solution.

- Emergency and Transitional Housing, which was slashed by 52% in the Governor's proposed budget, received level funding.
- Homeless Prevention more than doubled its funding from \$1.5 million in FY12 to \$4 million in the next fiscal year. Funding, however, remains less than half of what it was in 2008.
- Homeless Youth Programming funding increased \$900,000 to about \$4 million.
- Supportive Housing increased by about \$3 million to \$26.72 million.



# **Income Support Recommendations**



### **HB4612 - DOC Referral Services**

**BILL SUMMARY**– HB4612 amends the Unified Code of Corrections. The bill requires the Department of Corrections to make information about the availability of referral services to any other State or local agencies known to a parolee or releasee prior to his or her release from the correctional facility where the parolee or releasee has been residing.

**2012 OUTCOME**–HB4612 was introduced by Representative Camille Lilly. The bill was assigned to and held in the State Government Administration Committee. No further action was taken on the bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED— Identify rules, policies, practices, and procedures that hinder the participation of eligible people in safety net programs and take effective action to remove barriers: Individuals released from correctional facilities in Illinois and re-entering communities face multiple barriers to gaining employment and accessing housing. Upon release, most individuals lack identification, basic job skills and family supports, and require access to safety net programs for support as they gain stability and rebuild their lives.





## **HB5537 – Transitional Assistance Program**

**BILL SUMMARY**– HB5537 amends the Public Aid Code by removing the language that shifted responsibility for funding Transitional Assistance in Chicago from the city to the state. Under HB5537, Chicago would fund the Transitional Assistance Program. Currently every other city or township in the state funds a Transitional Assistance program for its lowest income residents who are ineligible for any other cash assistance program.

**2012 OUTCOME**–HB5537 was introduced by Representative Robyn Gabel but no action was taken on the bill.

**COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED**—Strengthen our safety net to ensure that households and individuals have their basic needs met and their dignity affirmed: Supports should be available for individuals where work is not a viable option – people with severe disabilities, seniors, and those struggling with mental illness rely on safety net programs to meet their needs. Critical supports for income and health must be available and easy to access to ensure that individuals experiencing poverty are not destitute.



## **Heath Care Recommendations**



## SB1881 - Charity Care

BILL SUMMARY— SB1881 creates the Hospital Fair Care Act. The bill requires each general hospital operating in the state to provide certain financial assistance to eligible individuals toward their health care on a yearly basis. The bill sets forth provisions concerning application for financial assistance, notification of the availability of financial assistance, and patient rights and responsibilities and requires each hospital that does not meet the applicable threshold level of financial assistance pay a fee that is deposited into the State Fair Care Trust Fund.

**2012 OUTCOME**—SB1881 was introduced by Senator Iris Martinez. The bill was assigned and held in Executive Committee, and no further action was taken on the bill.

Although SB1881 did not pass, two bills with more lenient charity care provisions and which together include both positive and negative changes for those experiencing poverty did ultimately pass both houses this legislative session, SB2194 and SB3261.

SB2194 includes charity care standards for property tax exemptions for non-profit hospitals. The bill defines charity care with more specificity and it expands what counts as "charity care". SB2194 was introduced by Senator Toi Hutchinson. The bill was signed into law by the Governor on June 14, 2012 (Public Act <u>97-0688</u>).

SB3261 defines and streamlines application procedures for charity care in hospitals in part by creating presumptive eligibility. The bill includes income standards to qualify for charity care. SB3261 was introduced by Senator Heather Steans. The bill was signed into law by the Governor on June 6, 2012 (Public Act 97-0690).

**COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED**—*Protect, restore, and enhance access to quality health care, including mental health and social and emotional wellbeing*: For individuals experiencing poverty, access to quality, affordable health care is essential for maintaining stability and moving out of poverty. Often, a medical emergency or illness impacts a person's ability to secure and maintain employment.

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## **PUBLIC HEARINGS\***

The Commission on the Elimination of Poverty held three hearings throughout the state to hear testimony from the public about how the state's actions as they relate to efforts to cut extreme poverty have been felt throughout the state. Over 115 people attended the hearings in Chicago, Maryville, and West Frankfort and over 40 people provided written and oral testimony.

The following themes emerged:

## Chicago

- Programs and services for individuals experiencing homelessness—
   Shelters are well over capacity and unable to meet the needs of the growing number of individuals experiencing homelessness. Increased state funding is needed to help keep individuals and families safely housed and transition out of homelessness. Instead many existing programs and services that support individuals and families experiencing homelessness are experiencing cuts.
   State funding should also be dedicated to homeless education to provide support services to keep students in school.
- Community mental health funding Women who are experiencing homelessness have high rates of trauma and are often fleeing domestic violence. Many individuals who have been homeless for long periods of time have unmet mental health needs. The state should invest in community mental health and addiction treatment services to ensure that individuals experiencing homelessness have access to the support they need to address barriers to accessing and maintaining permanent housing.
- Strengthen, streamline, and simplify safety net programs Policies should be simplified and streamlined to improve access to income support programs for those most in need. The Supplemental Nutrition Assistance Program should be better designed to allow individuals to obtain financial aid to pursue a college education without the loss of food stamps. Young adults, especially those with weak social and family supports like many young homeless adults, can run through a lifetime of TANF benefits by the time they are 23. The TANF lifetime limit should be increased and the TANF clock should stop for young adults under the age of 25.
- Affordable housing Criminal background checks should be eliminated in conjunction with housing applications, particularly for public housing. Average rents in Illinois far exceed what households in poverty can afford. Even lowwage workers struggle to pay rent. The number of housing vouchers available for people in extreme poverty should increase and the state should increase investment in supportive housing.

<sup>\*</sup> Click on the photos throughout the report to view clips of testimony from the public hearings.

- Cuts to Medicaid Many individuals who are experiencing extreme poverty
  no longer have access to the medical services they need to stay healthy.
  Medicaid no longer covers dental care, prescription coverage is limited, and it
  is extremely difficult to access preventative care. Co-pays should be
  eliminated for individuals experiencing extreme poverty.
- Access to childcare
   Barriers to childcare present a significant obstacle to moving families out of poverty. State funding for the Childcare Assistance Program should be increased and families experiencing extreme poverty should not be required to pay a co-pay. Homeless families should be eligible for temporary childcare assistance without a work or school requirement.
- Minimum wage and paid sick leave— Minimum wage jobs do not provide
  enough income to find housing and meet basic needs. In addition, most
  minimum wage jobs do not offer sick leave, which puts parents who must
  miss work to care for a sick child at risk of losing their job. Illinois should raise
  the state minimum wage and ensure that all workers have access to paid sick
  leave.
- Access to work— During this economic downturn, individuals with little or no
  work experience and who have significant barriers to employment (such as
  no high school diploma, lack of basic skills, and a criminal background) are
  among the hardest hit and will be some of the last to find relief through any
  economic recovery. Illinois should implement a statewide Transitional Jobs
  program to provide wage-paying employment coupled with support services.
  Local residents should also be the first targeted for community development
  jobs.
- 529 College Savings Program

  Many lower income households have not participated in the program due to barriers to enrollment. Illinois should simplify the enrollment process and exempt 529 college savings accounts from the list of assets used to determine eligibility for both TANF and SSI. Savings and safety net programs should go hand-in-hand to help people meet their basic needs in the short-term, and gain the tools to plan for moving out of poverty in the long-term.
- Revenue— The State needs adequate revenue to prevent deep funding cuts
  to safety net programs. Cuts will continue until Illinois reforms its revenue
  system and makes it fairer and more sustainable. The Illinois Constitution
  should be amended to allow for a graduated income tax.

## **Maryville**

- Cuts to Medicaid Medicaid no longer covers dental services and has limited
  access to podiatry and chiropractic services that many individuals experiencing
  poverty rely on to stay healthy and stay employed. Because dental services are no
  longer covered, many people who previously relied on Medicaid for dental care will
  have to have teeth pulled and will not be able to afford dentures. The ability to secure
  a job is greatly hindered if you do not have teeth.
- Medicaid eligibility For individuals with serious mental illness, access to
  medication and health care services is the difference between recovery and struggle.
  Medicaid expansion (through the ACA) should be implemented quickly to ensure
  access to life-saving medication, psychosocial rehabilitation, and other supports for
  individuals with mental health needs.
- Mental health services Preventative mental health services have become scarce
  and are difficult to access. Peer mentors and peer delivered mental health services
  are a promising interventions to reduce reoccurring psychiatric hospitalization and for
  moving individuals from poverty to independence.
- Inadequacy of SNAP The cost of food is rising and the amount of money that SNAP recipients receive has not adjusted to account for the rising costs. It is extremely difficult for SNAP recipients to afford fresh fruits and vegetables and healthy food.
- Services for people with disabilities The SMART Act has raised the eligibility threshold for people with disabilities. Without certain services, those individuals are unable to work and they risk institutionalization.
- Minimum wage Minimum wage workers are struggling to cover their bills and meet their basic needs and yet they are no longer eligible for income support programs.
   People cannot move out of poverty if they cannot meet their basic needs.
- Access to childcare Barriers to childcare present a significant obstacle in moving families out of poverty. State funding for the Childcare Assistance Program should be increased and families who are working and experiencing poverty should not be required to pay a co-pay. Access to quality early childhood education and care is essential for the healthy development of children. Affordable and accessible childcare keeps taxpayers working.

- Transportation In southern Illinois the lack of access to transportation is a
  huge barrier to accessing services, health care and to obtaining and
  maintaining a job for individuals experiencing poverty. Free bus passes or
  transportation reimbursement are essential components to programs and
  services for individuals experiencing extreme poverty.
- Safe and affordable housing Accessing affordable housing is extremely
  difficult for individuals and families experiencing poverty. For minimum wage
  workers, it is nearly impossible to find affordable housing unless families
  double or triple up. In many municipalities occupancy permits prohibit families
  from living together or put limits on the number of children allowed in a home,
  creating further barriers for families experiencing poverty. Minor criminal
  offenses are often barriers to public and private housing.
- Strengthen safety net programs The safety net is nearly non-existent for the extremely poor except for SNAP which was not designed to meet all the food and other needs of families. Unless single adults have family or friends to support them, they are often homeless because there is no income support program for which they are eligible.
- TANF limitations Thousands of young families are struggling because they have already reached their lifetime limit for TANF. Due to multiple barriers and weak family supports they are unable to gain self-sufficiency and move out of extreme poverty. The TANF lifetime limit should be increased and the TANF clock should stop for young adults. It is extremely difficult for TANF recipients to obtain an exemption for a disability and yet they often must wait 2 years for a finding of disability from the Social Security Administration. Illinois should simplify and streamline the process to allow exceptions to the 60 month limit on TANF for individuals with disabilities.



## **West Frankfort**

- Education and training programs—More support needs to be provided to link
  individuals who are receiving housing and food assistance with education, training,
  and opportunities to work. It is often difficult for parents struggling to feed their kids to
  focus on getting a job. For that reason, we must provide job counseling and
  additional guidance to help individuals experiencing extreme poverty take that next
  step to move out of poverty.
- Campaign finance reform Current campaign financing is an obstacle to
  addressing poverty due to the amount of time elected officials must spend on raising
  the huge sums of money required to run a campaign. Members of the Poverty
  Commission should meet with the Illinois Campaign Reform Taskforce to examine
  the impact of current campaign financing on poverty.
- **Transportation** In southern Illinois, the lack of access to transportation is a huge barrier to accessing services, health care and to obtaining and maintaining a job for individuals experiencing poverty.
- Affordable housing Shelters are at capacity. Often poverty is "invisible" because families are doubled or tripled up just to be able to make ends meet.
- Barriers for individuals released from correctional facilities Individuals
  released from correctional facilities in Illinois and re-entering communities face
  multiple barriers to gaining employment and accessing housing. Upon release, most
  individuals lack identification, basic job skills, and family supports. They require
  access to safety net programs for support as they gain stability and rebuild their
  lives. Access to computer skills and job readiness training is especially important for
  individuals who have been incarcerated for many years.
- Strengthen the safety net to incentivize work— Program policies should be adjusted to ensure that safety net programs help individuals who are able to work connect to job opportunities. Stronger incentives should be attached to employment.



# LOOKING FORWARD TO 2013: THE POWER OF POLICY CHANGE

## **<u>5 Policies Proven to Reduce Poverty in Illinois</u>**

The Commission on the Elimination of Poverty set a goal to cut extreme poverty in half in Illinois. While such a goal may seem challenging, the Commission determined that with the right data on need, policy solutions targeted directly at that need, and the political will to see these policy changes through, Illinois can indeed reach this goal. The Commission worked with the Urban Institute to model the impact of five of the recommendations in the initial Commission report on poverty in Illinois:

- Increase TANF benefit levels to 50 percent of the 2008 federal poverty guidelines for each family size.
- Increase the TANF participation rate to 50 percent, meaning that of all families eligible for TANF in a particular month of the year, half receive aid.
- Expand the Rental Housing Support Program to provide subsidized housing to an additional 2,500 households.
- Each year, make 2,500 new financial aid scholarships available for low-income individuals to attend community college.
- Provide subsidized employment to non-working extremely poor individuals who cannot find other employment by implementing a statewide transitional jobs program.

If Illinois adopts all five modeled policies the number of Illinoisans in extreme poverty falls by 54,000 people (20.0 percent).<sup>1</sup>

## Safety, Opportunity, and Sustainability

The recommendations outlined in <u>Building a Pathway to Dignity & Work</u>, the poverty elimination strategy released in December of 2010, will continue to inform the work of the Poverty Commission and provide a guide for decision makers and advocates committed to advancing solutions for individuals experiencing poverty. The recommendations outlined in the Commission's plan are not the only solutions to addressing extreme poverty. As such, the Commission will continue to weigh in on policy proposals that will positively or negatively impact the state's progress toward the goal of cutting extreme poverty and will continue to seek opportunities to work with policy

<sup>&</sup>lt;sup>1</sup> There are some limitations to the modeling – it captures the impact of the policies if they had been enacted in 2008, not the most current year. Details on the methodology can be found in the <u>full report</u> on Heartland Alliance's website.

makers to seek solutions that offer safety, opportunity, and sustainability for individuals and families facing extreme hardship.

**Safety** - For those where work is not a viable option - people with severe disabilities and seniors - we recommend making critical supports for income and health easier to access, so our society is doing all it can to protect our most vulnerable.

**Opportunity** - For those who can work with the right opportunities, our recommendations point towards revamping our state's policies and supports so they not only help stabilize a family in need, but more importantly connect them to training and work opportunities that will allow them to move beyond those supports.

**Sustainability -** For those engaged in work, but still experiencing extreme poverty, we recommend providing access to skill-building opportunities that will allow them to move into living wage work. We also recommend improved protections for workers and improved compensation and benefit standards to ensure that people who work for a living can move out of poverty.

#### **Renewed Call to Action**

This year's report shows that we are losing ground. Without strong leadership and collaboration among all of us - those impacted by poverty, community stakeholders, and decision-makers - we will continue along this path and allow more and more of our fellow Illinoisans to fall into extreme poverty. Our policies show a state that has become complacent. 2013 should be the year when Illinois turns the corner and starts taking targeted, meaningful action to end poverty. The Poverty Commission calls on you to help put poverty at the forefront of the conversation about where Illinois is headed - before we lose so much ground that the path back becomes unclear.



# **Acknowledgements**

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Cover Photo Credit: Brenda Ann Kenneally (top left),

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#### Co-chairs:

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Rev. Dr. Sid L. Mohn – President, Heartland Alliance for Human Needs and Human Rights

#### Elected Officials:

Michael Frerichs – State Senator Carole Pankau – State Senator Sandra Pihos – State Representative Karen Yarbrough – State Representative

#### Public Members:

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Robyn Gabel – former Executive Director – Illinois Maternal and Child Health Coalition; current State Representative

Michael B. Golden – Co-Founder, One Million Degrees

Jim Hires – Executive Director, Eastern Illinois Food Bank

Catherine Holland - Stone - Hayes Center for Independent Living

Lanita Koster – Member, Illinois State Board of Education

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Brianna Baker-Carvell – Illinois Department of Corrections

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Laurie Mikva – Illinois Department of Employment Security

Marisol Morales - Commissioner, Illinois Latino Family Commission

Antonio Baxton – Illinois Department of Commerce & Economic Opportunity

Fernando Chavarría – Illinois Department of Economic Security

Michelle Saddler - Secretary, Illinois Department for Human Services

Terry Solomon - Executive Director, Illinois African American Family Commission

# **Public Hearing Testimony**

Chicago Hearing – August 13, 2012

Rodney Dawkins - Consumer Advisory Board, Heartland Health Outreach

Lucy Mullany - Heartland Alliance - Illinois Asset Building Group

Starnica Rodgers – Chicago Coalition for the Homeless

Patricia Rivera - Chicago HOPES for Kids

Carie Bires – Heartland Health Outreach

Dan Lesser – Sargent Shriver National Center on Poverty Law

Heather McGuire - Sarah's Circle

Christopher Whitaker - Code for America - Chicago Brigade

Danny Magee

Todd Belcore – Sargent Shriver National Center on Poverty Law

Gail Schechter – Interfaith Housing Center of the Northern Suburbs

Frank Lowe - Inspiration Corporation

Shantera Rivers

Elizabeth Dunn - Sarah's Circle

Ben Schulman – Congress for the New Urbanism

Dan Lyonsmith - Chicago Jobs Council

Tressa Williams - Heartland Alliance

Maryville Hearing - August 21, 2012

Jennifer Pelate - Chestnut Health Systems

Gerel Touchette

Jennifer Gerlach - Sacred Creations

Shelly Richardson - IMPACT, CIL

Susan Simone – Land of Lincoln Legal Assistance Foundation

Amelia Jumper – Comprehensive Behavioral Health Center

AJ French - Sacred Creations

Lyn Cloninger – Community Hope Center

Kim Hunt – Children's Home & Aid

Percy A. Dace – Lessie Bates Davis Neighborhood House

Gregory Norris - ACES 4 Youth

Clifford "Rusty" Mathis Jr. – Sacred Creations

Shirley Guffey

Susie Schrage – Madison County Catholic Charities

West Frankfort Hearing – August 23, 2012

Linda Clark - Connect the Dots

<sup>\*</sup>Steering Committee members are listed in **bold**.

Mary O'Hara
Peggy Russell – Family Crisis Center Homeless Center
De Anne Fitzenreider – Lutheran Social Services of Illinois
Alyssa Easter – Lutheran Social Services of Illinois, Prisoner and Family Ministry
Mark Gilula
Katherine Surprenant